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LVT 9

Our Ref: M/EH 2259

MIDLAND RENT ASSESSMENT PANEL

Leasehold Reform Act 1967

Housing Act 1980

DECISION OF LEASEHOLD VALUATION TRIBUNAL

ON AN APPLICATION UNDER S21 OF THE LEASEHOLD REFORM ACT 1967

Applicant: Mr G E F Greswolde

Respondent: Champlain Limited

Re: 32 Anglesey Road, Brownhills, WS8 7NU

Date of Tenants Notice: 11 June 2001

RV as at 1.4.73: £229.00

Application dated: 12 June 2001

Heard at: The Panel Office

On: 21 November 2001

APPEARANCES:

For the Tenant: Mr A W Brunt – Anthony Brunt & Co

For the Landlord: Not Represented

Members of the Leasehold Valuation Tribunal:

Mr R T Brown FRICS (Chairman)

Mr D Salter LLB

Mrs N Jukes

Date of Tribunals decision: 21 January 2002

UNEXPIRED LEASE 55 YEARS
ANNUAL GROUND RENT £ 14.00
VALUE OF PROPERTY £ 62,500

DECISION OF THE LEASEHOLD VALUATION TRIBUNAL

In respect of

32 ANGLESEY ROAD, BROWNHILLS, WS8 7NU

JURISDICTION

This is a determination under section 9 of the Leasehold Reform Act 1967 (as amended) of the price to be paid for the Freehold interest in 32 Anglesey Road, Brownhills, WS8 7NU.

The lessee holds the property by way of a lease dated 2nd February 1959, for a term of 99 years commencing on 29th September 1957 at an annual ground rent of £14.00.

The Lessee's notice of claim is dated 11th June 2001, when there were approximately 55 years unexpired.

The Tribunal inspected the property on 21st November 2001 in the presence of the lessee, Mr Greswolde, and his valuer, Mr A Brunt FRICS.

The property comprises:- A semi detached house constructed circa 1957 in traditional materials. The centrally heated and double glazed accommodation comprises. On the ground floor, porch, hall, front reception, rear reception room, kitchen (fully fitted) extended to the rear of the garage. On the first floor, one single and two double bedrooms, bathroom, (full suite including shower cubicle). Outside, gardens to front and rear with integral single garage.

THE HEARING

At the hearing, Mr A W Brunt FRICS Valuer, appeared for the lessee, Mr Greswolde.

The Freeholders, Champlain Ltd, were neither present nor represented.

Mr Brunt, in arriving at his entirety value referred to a property in Anglesey Crescent which had been placed on the market in April/May 2001 at an asking price of £66,500, it is not known whether the property was sold. Using his experience, Mr Brunt concluded that the entirety value for the subject property was £66,000.

His valuation is set out below.

Term: £14 x YP for 55 yrs @ 7% (13.9399) =	£195
Reversion £66,000 x .333 x 7% x YP in perp def'd @ 7% (0.345) =	<u>£531</u> £726

THE DECISION

1. Using their knowledge (but not any special knowledge) judgement and experience, as an expert to tribunal, we accept Mr Brunts valuation in its entirety.
2. No application for the determination of costs was received.

He went on to say that there was little comparable evidence available, although he did refer to number 9 Hill Street, an extended detached house sold early in 2001 for just less than the asking price of £89,995. From this he concluded that after making an appropriate allowance for the different type of property and the restricted site of the subject property, an entirety value of £55,000 was appropriate.

Mr Wayne Fellows had arrived at a valuation of £2,044 plus legal fees. Calculated on the basis that there were 73 years unexpired on the lease, multiplied by £25.00 ground rent per year and compound interest at 6%. He considered this to be reasonable compensation for his loss of the right to receive income. Whilst admitting that he did not understand valuation under Leasehold Reform Act 1967, Mr Fellows did dispute Mr Boardman's entirety value at £55,000, which he considered to be low, and argued that it should have been at least £75,000.

In questioning by the Tribunal, Mr Wayne Fellows had relied upon his 22 years as a Chartered Builder. He was unable to provide any satisfactory evidence, although he made reference to a site next to his yard measuring some 5 metres by 10 metres, which had an asking price of some £18,000.

THE DECISION

1. Using their knowledge (but not any special knowledge) judgement and experience, in evaluating the evidence adduced, the Tribunal conclude that Mr Boardman was cautious in this entirety value at £55,000 and determine that the entirety value should be £62,500.

In the light of this, The Tribunals valuation is as follows:-

TERM

Ground Rent	£25.00 per annum.
YP 71 yrs at 7% 14.1686	£354.21

Reversion

£62,500 @ 30% to site value	£18,750
Section 15 Ground Rent @ 7%	£14,012.50
YP perp def'd 72 yrs .11713	
Giving a value of	<u>£153.73</u>
Say	£508.00

2. No application for the determination of costs was received.
3. We determine that with the benefit of our inspection, use of our knowledge (but not any special knowledge) and experience and the evaluation of the evidence, adduced that the sum to be paid for the Freehold Interest in 5 Hill Street, Kings Hill, Wednesbury, is in accordance with section 9 of the Leasehold Reform Act 1967 (as amended) £508 (five hundred and eight pounds) and freeholders costs in accordance with section 9 (4) of the Leasehold Reform Act 1967 and Schedule 22 Part 1 (5) of the Housing Act 1980.

Robert T Brown FRICS
Chairman

Date... *Robert T Brown*

21 JAN 2002